

FISCAL NOTE
HB 2273 - SB 2226

April 1, 2007

SUMMARY OF BILL: Increases from three to five years the period for which the state can recover Medicaid expenditures prior to the date of application for benefits through the medical assistance program. Authorizes the Commissioner of Finance and Administration and the Director of TennCare to require information identifying persons covered by third parties for medical services. Deletes current provision holding TennCare responsible for the cost of other insurers providing TennCare with information about enrollees.

ESTIMATED FISCAL IMPACT:

Decrease State Expenditures – Not Significant


Other Fiscal Impact – There could be an increase in third party liability recoveries which would result in an increase in TennCare revenues. Such increase would not be realized until FY08-09 or after. Such amount is not able to be determined but could be significant. In addition, the Bureau of TennCare will be in jeopardy of losing Federal Financial Participation (FFP) of the Long-Term Care program should the revisions to the statute not be realized. The Governor's Proposed FY07-08 Budget Document includes \$811,200,000 in federal matching funds.

Assumptions:

- The increase from three to five years for which the state can recover Medicaid expenditures prior to the date of application for benefits through the medical assistance program is required by federal mandate in the Deficit Reduction Act of 2005 § 6011.
- The Bureau of TennCare will no longer be responsible for the cost to receive information from other insurers. Such will not result in a significant decrease in expenditures.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director